



AGENDA
RIO DELL PLANNING COMMISSION
REGULAR MEETING
TUESDAY, FEBRUARY 26, 2019 – 6:30 P.M.
CITY HALL COUNCIL CHAMBERS
675 WILDWOOD AVENUE, RIO DELL

WELCOME.....*By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the Commission are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell Planning Commission meetings often.*

- A. CALL TO ORDER
- B. ROLL CALL
- C. PLEDGE OF ALLEGIANCE
- D. CEREMONIAL MATTERS
- E. CONSENT CALENDAR

- 1) 2019/0226.01 - Approve Minutes of the January 22, 2019 Regular Meeting
(ACTION)

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F. PUBLIC PRESENTATIONS

This time is for persons who wish to address the Commission on any matter not on this agenda and over which the Commission has jurisdiction. As such, a dialogue with the Commission or staff is not intended. Items requiring Commission action not listed on this agenda may be placed on the next regular agenda for consideration if the Commission directs, unless a finding is made by at least 2/3rds of the Commission that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.

G. SCHEDULED MATTERS/PUBLIC HEARINGS/STUDY SESSIONS

- 1) 2019/0226.02 - Possible amendment to the City's Cannabis Regulations related to:
 - Retail Sales
 - Testing Laboratories
 - Cultivation - Dinsmore Plateau
 - Adult and Medical Annual Fees **(ACTION)**

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- 2) 2019/0226.03 - Pre-zoning of the City's Wastewater Disposal Site at Metropolitan Road (APN 205-111-039) **(ACTION)**

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H. STAFF COMMUNICATIONS

I. ADJOURNMENT



In compliance with the American with Disabilities Act (ADA), if you need Special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting.

***The next Regular Planning Commission meeting is scheduled for
Tuesday, March 26, 2019 at 6:30 p.m.***

**RIO DELL PLANNING COMMISSION
REGULAR MEETING MINUTES
JANUARY 22, 2019**

CEREMONIAL MATTERS

Swearing in of Newly Appointed Planning Commissioners Angeloff, Kemp, Marks, Millington and Arsenault

City Clerk Dunham began by administering the Oath of Allegiance to the five newly appointed Planning Commissioners.

Selection of Planning Commission chair and Vice-Chair

City Clerk Dunham explained that all members of the Commission are considered nominated for the respective seats unless a member wishes to decline nomination. Commissioners Kemp, Millington, and Arsenault declined nomination for both seats.

Ballots were provided to Commissioners to vote for their choice for the position of Planning Commission Chair. Commissioner Angeloff received 5 out of 5 votes and was reappointed as Chair.

Commissioner Marks received 5 out of 5 votes and was appointed as Planning Commission Vice-Chair.

CALL TO ORDER

Commissioner Angeloff called the regular meeting of the Rio Dell Planning Commission to order at 6:35 P.M.

Present were Commissioners Angeloff, Kemp, Marks, Millington and Planning Commission Alternate Arsenault. Absent was Commissioner Strahan.

Others present were Community Development Director Caldwell and City Clerk Dunham.

CONSENT CALENDAR

Approve Minutes of the December 11, 2018 Special Meeting

Motion was made by Kemp/Marks to approve the minutes of the December 11, 2018 special meeting. Motion carried 3-0; Commissioners Millington and Arsenault abstained.

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PUBLIC PRESENTATIONS

None

SCHEDULED MATTERS/PUBLIC HEARINGS/STUDY SESSIONS

Resolution No. PC-136-2019 Approving the Danco Communities Design Review Conditional Use Permit – File No. 052-312-012 – Case Number CUP-19-01

Community Development Director Caldwell reviewed the staff report recommending approval of the Design Review application from Danco on the 26-unit supportive housing project. He began by clarifying that the agenda item only relates to design review of the project and not operational conditions of the project.

He continued with review of the project design, zoning consistency, general plan consistency, purpose of the design review guidelines, and the conditions of approval as proposed.

Community Development Director Caldwell explained that parking requirements are somewhat different for these types of housing projects because it is expected that approximately one-third of the tenants will not have vehicles. If the project were a typical multi-family development, 42 parking spaces would be required. Under the California Government Code, parking exception allowances for transitional housing range from .3 to .5 spaces per unit. The Danco project proposes 1.08 spaces per unit or 28 spaces, which exceeds the requirement. In addition, the applicant is proposing two (2) disabled or accessible parking spaces although the RDMC and the California Building Code (CBC) only requires one (1) space per 25 units.

Commissioner Marks referred to the lighting requirements as identified on page 14 of the packet.

After brief discussion, staff suggested the Conditions of Approval be modified to include language regarding the installation of four (4) LED light fixtures no taller than fifteen (15) feet to be installed on the south side of the main parking area. In addition, the installation of a minimum of two (2) LED light fixtures no taller than fifteen (15) feet along the west side of Rigby Ave. between the fire access lane and the northern driveway.

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Commissioner Marks also recommended that the project be conditioned to require that services only be provided to the residents of the facility.

Discussion continued regarding the off-street pedestrian improvements. Staff explained that the sidewalk at the intersection of Rigby Ave. and Center St. would be modified to provide ADA ramps to the north and west. In addition, the portion of Center St. fronting the parcel will be improved with curb, gutter and sidewalk as well as sidewalk construction from the project site to Wildwood Ave. along Davis St. to create an uninterrupted paved sidewalk, minimizing any points of conflict.

Community Development Director Caldwell further explained that the entire street from the south property line of the project site to the north end of the intersection of Rigby and Center St. and the portion of Center St. fronting the parcel, approximately 200 feet, will be improved with pavement overlay.

Next was review of the proposed site plan and project description including a landscaping plan, floor plans of the residential 1 and 2 bedroom units, floor plan of the main common building and other common buildings, and proposed exterior paint colors for each of the buildings.

Commissioner Marks asked if all of the units would be equipped with sprinkler systems.

Community Development Director Caldwell said that all of the units would be equipped with sprinkler systems as required by the California Building Code (CBC). In addition, all units would be equipped with solar.

He explained that the Preliminary Drainage/Hydraulics Analysis was referred to the City Engineer for review. During that review, it was determined that the project would need to comply with Post Construction Requirements to insure that there is no increase in stormwater runoff from the site as compared to the pre-development conditions. As such, the drainage plan was modified to be consistent with State requirements.

Community Development Director Caldwell commented that staff and the applicant worked closely with the Fire Department to make sure the project site allowed for adequate turn-around space for emergency response vehicles.

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Community Development Director Caldwell commented that there has been some controversy over the use of the parcel with regard to it being a permanent supportive housing project but the only thing under review at this time is the design review of the project. He said there should be no argument on the design of the project, as like other Danco projects it is very nicely done.

He briefly reviewed the Operational Conditions then turned the discussion over to the Commission for additional comments and questions.

Commissioner Arsenault commented on the parking and said the approximate distance from the closest parking space to the closest residential unit is 300 feet. He also asked about the parking spaces identified on Rigby Ave.

Community Development Director Caldwell explained that they do not anticipate very many of the residents having vehicles although the visitors may. He said the two (2) parking spaces on Rigby Ave. are for the manager.

Commissioner Marks asked if parking for staff was taken into consideration with the design of the parking.

Chris Dart, President of Danco explained that there would be plenty of spaces for staff noting that there will only be an average of 3-4 staff on site at any one time.

Commissioner Angeloff questioned the fencing.

Chris Dart said they are proposing a six (6) foot wrought iron interior fence, with the existing chain link fence along the two (2) adjacent properties on the back side of the parcel.

Commissioner Marks said she thought the wrought iron fence was going to be seven (7) feet.

Community Development Director Caldwell explained that the fencing was described in the detail to be "a maximum of seven (7)" feet in height. He said that for clarification the fencing could be included as a Condition of Approval. He proposed language to say that the interior fence shown on the plans shall be a six (6) foot wrought iron fence and that the interior fence and the fences along the property lines shall be permanently maintained. Commissioners concurred.

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Commissioner Marks questioned the requirements of the applicant related to paving.

Community Development Director Caldwell referred to the Conditions of Approval (2) which identified the paving requirements.

Commissioner Angeloff referred to the parking requirements and asked what is meant by “permeable” surface.

Community Development Director Caldwell explained that permeable surfaces consist of a variety of types of pavement or pavers that reduce stormwater runoff.

Commissioner Arsenault commented on the distance between the two (2) parking areas and the idea of saving space if the two areas were combined with the entrance off Rigby Ave.

It was explained that the parking was separated to provide for an observation area as well as from the common room.

Kash Boodjeh, Project Architect for Danco addressed the Commission and said that in 2011 he designed a pocket style development in Ft. Bragg with three (3) different designs so he is very familiar with this design. He said that they have been looking at this site for five (5) or six (6) years and the concept is to have good visual space. He said that after talking to the Fire Chief, they decided to put the fire access lane in the back portion of the project site. To lessen the impact to the neighboring residents, they also decided to put the manager’s unit where they did. He noted that this design also allows for more sun in the back yards of the units and provides a direct line to the front doors so staff can visually see people coming and going. He noted that all units are ADA accessible as well as the walkways to the units. He added that this design allows the residents the opportunity to have their own private space as well as common landscaped space. He also pointed out that not having common walls makes the units quieter. He said with regard to lighting, they could go with 12-foot exterior light fixtures. He pointed out that out of respect for the neighborhood; they included in the design many open space areas.

Community Development Director Caldwell commented that one of the Conditions of Approval (13), is that the applicant relocates the bus stop so that there is a

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covered bus stop on Center St. in front of the parking lot. He said he attempted to reach out to the property owner twice but had not yet heard back from anyone.

Commissioner Angeloff asked if Danco and/or their architect had experience in designing bus stops.

Community Development Director Caldwell explained that the bus stop must meet all applicable HTA standards but they may be willing to work with the architect on a different design.

Commissioner Kemp commented on the Fire Department responding to medical calls and asked if it would be an issue getting on site with a gurney.

Kash Boodjeh noted that all sidewalks and walkways would be five (5) feet wide and pointed out that the parcel is level so there should be no problem.

Commissioner Kemp asked if City Ambulance would have keys to the gate. The response was that they would.

Community Development Director Caldwell noted that a Knox Box would be installed with a master key.

Commissioner Marks commented that she liked the idea of grass pavers for the fire access turn around lane.

Commissioner Angeloff asked if that could be included as a Condition of Approval.

Kash Boodjeh stated that they noted in the plans that the fire lane would be constructed of permeable pavers with approval of the Fire Department.

Commissioner Millington asked about solar amenities.

Kash Boodjeh noted that all units would be electric and would be close to net zero with 5-kilowatt solar panels.

Community Development Director Caldwell pointed out that effective in 2020, all new residential structures would be required to have solar.

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Commissioner Marks questioned the type of siding on the buildings. Kash noted that the plans include Hardie-Plank for siding.

Commissioner Angeloff opened the public hearing to receive public comment on the Danco Design Review Conditional Use Permit.

Sue Teague addressed the Commission and said that as a resident of River's Edge R.V. Park, she has a lot of experience with these types of tenants because living in an R.V. is much like living in low-income supportive housing.

She expressed concern about the need to have active surveillance cameras, the need to keep common laundry areas locked, cable and Wi-Fi connections, and computers in the common room. She also expressed concern about possibly not having enough bicycle spaces.

She also mentioned that people had commented on the Neighborhood Watch Facebook page that citizens had not been notified about the meeting.

Community Development Director Caldwell explained that all property owners within a 300-foot radius of the project site received notices and public notices were posted at four (4) locations around town in addition to the City's web site.

Susan Nessen addressed the Commission and said that she is a leader of a senior exercise group and that they are looking for space to exercise one hour a week. She said they currently use the Baptist Church but that arrangement is ending.

Commissioner Angeloff asked that she speak with him after the meeting and he would see what he could do to help.

There being no further public comment, the public hearing closed.

Motion was made Millington/Arsenault to approve Resolution No. PC-136-2019 approving the Danco Design Review Conditional Use Permit with modifications to the Conditions of Approval to include the following:

- 16. The applicant shall install a minimum of four (4) LED light fixtures no taller than fifteen (15) feet on the south side of the main parking area. Fixtures and location must be approved by City staff.*

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- 17. The applicant shall install a minimum of two (2) LED light fixtures no taller than fifteen (15) feet along the west side of Rigby Avenue between the Fire Access Lane and the northern driveway. Fixtures and location must be approved by City staff.*
- 18. The interior fence shown on the plans shall be a six (6) foot wrought iron fence. The interior fence and the fences along the property lines shall be permanently maintained.*
- 19. The required fire lane shall be constructed of permeable pavers or equivalent as approved by the Rio Dell Fire Protection District.*
- 20. Onsite services may only be provided to residents of the facility.*

Motion carried 4-1 with Commissioner Kemp dissenting.

STAFF COMMUNICATIONS

Community Development Director Caldwell reviewed potential agenda items for the next regular meeting scheduled for February 26, 2019. The first item was the pre-zoning of the City's wastewater disposal site on Northwestern Ave. in anticipation of annexing the parcel into the City. The second item was possible amendment to the City's Cannabis Regulations in addition to possibly one other item.

Commissioner Marks reported that she would be absent at the February 26th meeting.

ADJOURNMENT

The meeting adjourned at 7:32 p.m. to the February 26, 2019 regular meeting.

Nick Angeloff, Chair

Attest:


Karen Dunham, City Clerk


675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: February 26, 2019
☐ Consent Item; ☒ Public Hearing Item

To: Planning Commission

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager 

Date: February 21, 2019

Subject: Potential Cannabis Regulations Text Amendments

Recommendation:

That the City Council:

1. Receive staff's presentation; and
2. Open public hearing and receive public comment; and
3. Close public hearing, deliberate and provide direction to staff to present to the City Council.
4. Adopt Resolution No. PC 137-2019 recommending that the City Council amend the Commercial Cannabis Land Use Regulations, Section 17.30.195 Rio Dell Municipal Code relating to retail sales, testing laboratories, cultivation on the Dinsmore plateau and annual fees.

Background and Discussion

At the Council's meeting of January 3rd, Councilmember Woodall requested that staff agendize a discussion regarding the City's cannabis regulations. Specifically, Councilmember Woodall wanted to discuss (1) the City's cannabis tax rates; (2) dispensaries or retail sales of cannabis in the City proper; (3) testing laboratories in the City proper; (4) cultivation on the Dinsmore

Plateau; and (5) the annual “A” and “M” \$4,000 fee. Councilmember’s Woodall’s request was approved by a majority of the Council with Mayor Wilson and Councilmember Strahan dissenting.

Staff presented a brief overview of the potential changes to the Council at their meeting of January 15, 2019 and requested that the Council provide direction. The Council voted 3 – 1 (Wilson dissenting and Strahan absent) to have staff look into to the possible amendments. The cannabis tax rates do not fall under the purview of the Planning Commission because it is not a land use issue. Dispensaries (retail sales), Testing Laboratories and possible cultivation activities on the Dinsmore Plateau are land use issues and as such require the Planning Commission to consider and recommend any changes to the City Council.

Retail Sales

The City currently prohibits the retail sales of cannabis products with the qualified exception of medical cannabis products. The City’s cannabis regulations allow one Health and Wellness Center. Glenn White’s group has been granted the one permit for a Health and Wellness Center. Health and Wellness Centers as defined allow the sale of medical cannabis products including oils, tinctures, sublingual’s, creams, lotions, pills, suppositories, cosmetics, etc., but exclude the sales of flowers, trim, leaf or cannabis infused edibles.

“Health and Wellness Center” means an establishment that offers health services for the body and mind, including but not limited to fitness, personal training, nutrition consulting, skin care services, massage, holistic and herbal therapies, therapeutic application and retail sales of medical cannabis products including oils, tinctures, sublingual’s, creams, lotions, pills, suppositories, cosmetics, etc., but excluding the sales of flowers, trim, leaf or cannabis infused edibles.

Should the Commission desire to recommend that cannabis sales be allowed within the City proper, there are a couple options to consider. As with all other cannabis related activities, staff recommends that retail sales only be allowed with a Conditional Use Permit and be limited to the Town Center zone.

Option 1

Do not limit the number of Retailers and let the free market dictate the number of businesses.

Option 2

Limit the number of Retailers and solicit Requests for Proposals (RFP's). The Commission can then review the proposals and rank them based on the quality of the proposal. Proposals can be ranked on the following elements, including but not limited to:

- Experience
- Financial Capital
- Interior and Exterior Design
- Business Model/Plan of Operation

As the Commission is aware, the State allows the delivery of cannabis products within the City. Retailers are allowed to sell, flower, concentrates, edibles, creams, lotions seeds and starts.

It should be noted that staff has been contacted by Element 7. They are interested in establishing a Microbusiness which allows an operator to engage in at least three activities, including retail sales, cultivation, manufacturing and distribution. It should be noted that the current City Cannabis regulations restrict cultivation to be at least 1000 feet from any school. At this time staff does not recommend allowing Microbusinesses within the City proper. Once the Humboldt Rio Dell Business Park (HRDBP) is built out, it may be appropriate to reconsider allowing Microbusinesses within the City proper.

Staff has included a copy of the State's Retail Regulations as Attachment 1 and Microbusiness Regulations as Attachment 2.

Testing Laboratories

Cannabis testing laboratories are restricted to the HRDBP. Cannabis testing labs are very similar to other types of testing labs. It is staff's understanding that the City's of Eureka and Arcata and the County allow cannabis testing labs where other types testing labs are allowed.

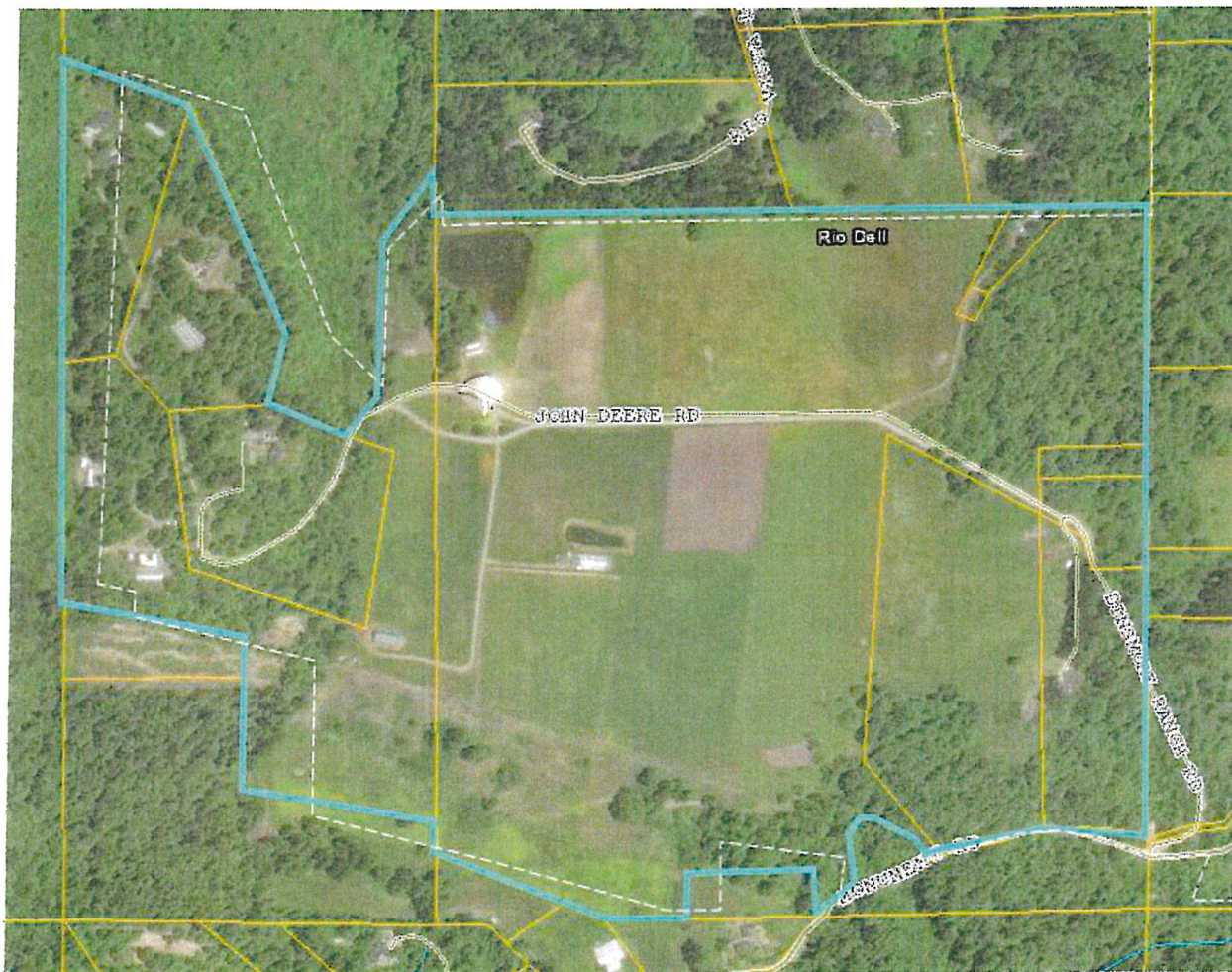
Staff recommends that testing labs be allowed with a Conditional Use Permit in the Town Center, Neighborhood Center and Community Commercial zones. Staff does not recommend establishing a limit on testing labs.

Cultivation on the Dinsmore Plateau

As the Council is aware commercial cannabis cultivation is limited to the "Sawmill Annexation Area" which includes the HRDBP and a few other parcels, including that portion of the Mozzetti Ranch in the City limits. Most if not all the property owners on the Dinsmore Plateau have

expressed an interest in commercial cannabis cultivation. At a tax rate of \$2.00 per square foot of canopy, allowing cultivation on the Dinsmore Plateau could potentially result in significant revenue for the City.

Currently all outdoor cultivation must occur in greenhouses that are designed to eliminate odors from affecting nearby properties. Should the Commission want to allow outdoor (open-field) cultivation, the Commission could recommend that outdoor (open-field) be allowed provided plants are setback at 400 feet from property lines.



Dinsmore Plateau
Source: Humboldt County GIS

Adult and Medical Annual Fees

In addition to the City's taxes, operators are subject to \$8,000 in annual fees for each license type. As the Commission likely remembers, As a result of the State eliminating the need to

obtain both Adult “A” and Medical “M” licenses, the City amended the Cannabis Regulations in February of this year to allow adult or “A” cannabis activities. The Council’s action was a compromise in that “A” activities would be allowed, provided the operators paid both the “A” and “M” \$4,000 annual operating fee. The operators, including potential investors, have expressed concern over having to pay both fees.

Staff recommends that operators not have to pay for both an “A” and an “M” annual license per activity or as an alternative reduce the annual license fee to \$2,000 per activity.

Attachment 1: State Retail Regulations

Attachment 2: State Microbusiness Regulations

Attachment 3: Resolution No. 137-2019



**BUREAU OF
CANNABIS
CONTROL**
CALIFORNIA

RETAILERS

§ 5400. Access to Retailer Premises.

- (a) Access to the licensed premises of a retailer with only an A-designation shall be limited to individuals who are at least 21 years of age.
- (b) Access to the licensed premises of a retailer with only an M-designation shall be limited to individuals who are at least 18 years of age and have a valid physician's recommendation for medicinal cannabis, and individuals who are at least 21 years of age.
- (c) Access to the licensed premises of a retailer with both an A- designation and an M-designation may include persons identified in subsections (a) and (b) of this section.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26140, Business and Professions Code.

§ 5402. Customer Access to the Retail Area.

- (a) Individuals shall be granted access to the retail area to purchase cannabis goods only after the retailer or an employee of the retailer has confirmed the individual's age and identity pursuant to section 5404 of this division.
- (b) The licensed retailer or at least one employee shall be physically present in the retail area at all times when individuals who are not employees of the licensed retailer are in the retail area.
- (c) All sales of cannabis goods must take place within the retail area of the retailer's licensed premises, except for cannabis goods sold through delivery, or a drive-in or drive-through window as authorized by section 5025(g) of this division.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26140, Business and Professions Code.

§ 5403. Hours of Operation.

A licensed retailer shall sell and deliver cannabis goods only between the hours of 6:00 a.m. Pacific Time and 10:00 p.m. Pacific Time.

Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code.

§ 5403.1 Requirements While Not Open for Business.

At any time the licensed premises is not open for retail sales, a licensed retailer shall ensure that:

- (a) The licensed premises is securely locked with commercial-grade, nonresidential door locks as required in section 5046 of this division;
- (b) The licensed premises is equipped with an active alarm system pursuant to section 5047 of this division, which shall be activated when the licensed retailer or its employees are not on the licensed premises; and
- (c) Only employees of the licensee and other authorized individuals are allowed access to the licensed premises. For the purposes of this section, authorized individuals include individuals employed by the licensee as well as any outside vendors, contractors, or other individuals conducting business that requires access to the licensed premises.

Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code.

§ 5404. Retail Customers.

- (a) A licensed retailer shall only sell adult-use cannabis goods to individuals who are at least 21 years of age after confirming the customer's age and identity by inspecting a valid form of identification provided by the customer as required by subsection (c) of this section.
- (b) A licensed retailer shall only sell medicinal cannabis goods to individuals who are at least 18 years of age and possesses a valid physician's recommendation after confirming the customer's age, identity, and physician's recommendation as required by subsection (c) of this section.
- (c) Acceptable forms of identification include the following:
 - (1) A document issued by a federal, state, county, or municipal government, or a political subdivision or agency thereof, including, but not limited to, a valid motor vehicle operator's license, that contains the name, date of birth, height, gender, and photo of the person;
 - (2) A valid identification card issued to a member of the Armed Forces that includes the person's name, date of birth, and photo; or
 - (3) A valid passport issued by the United States or by a foreign government.

Authority: Section 26013, Business and Professions Code. Reference: Section 26140, Business and Professions Code.

§ 5405. Cannabis Goods Display.

- (a) Cannabis goods for inspection and sale shall only be displayed in the retail area.
- (b) Cannabis goods may be removed from their packaging and placed in containers to allow for customer inspection. The containers shall not be readily accessible to customers without

assistance of retailer personnel. A container must be provided to the customer by the licensed retailer or its employees, who shall remain with the customer at all times that the container is being inspected by the customer.

(c) Cannabis goods removed from their packaging for display shall not be sold, shall not be consumed, and shall be destroyed pursuant to section 5054 of this division when the cannabis goods are no longer used for display.

Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code.

§ 5406. Cannabis Goods for Sale.

A licensed retailer shall not make any cannabis goods available for sale or delivery to a customer unless:

- (a) The cannabis goods were received by the retail licensee from a licensed distributor or licensed microbusiness authorized to engage in distribution;
- (b) The licensed retailer has verified that the cannabis goods have not exceeded their best-by, sell-by, or expiration date if one is provided;
- (c) In the case of manufactured cannabis products, the product complies with all requirements of Business and Professions Code section 26130 and California Code of Regulations, Title 3, Division 8 and Title 17, Division 1, Chapter 13;
- (d) The cannabis goods have undergone laboratory testing as required by the Act and Chapter 6 of this division;
- (e) The batch number is labeled on the package of cannabis goods and matches the batch number on the corresponding certificate of analysis for regulatory compliance testing;
- (f) The packaging and labeling of the cannabis goods complies with Business and Professions Code Section 26120 and all applicable regulations within this division as well as California Code of Regulations, Title 3, Division 8 and Title 17, Division 1, Chapter 13; and
- (g) The cannabis goods comply with all applicable requirements found in the Act and applicable regulations.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26120, Business and Professions Code.

§ 5407. Sale of Non-Cannabis Goods.

In addition to cannabis goods, a licensed retailer may sell only cannabis accessories and licensee's branded merchandise. Licensed retailers may provide customers with promotional materials.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070, 26151 and 26152, Business and Professions Code.

§ 5408. Sale of Live Plants and Seeds.

(a) A licensed retailer shall only sell live, immature cannabis plants and cannabis seeds if all of the following requirements are met:

- (1) The plant is not flowering;
- (2) The plant or seed originated from a nursery that holds a valid license from the Department of Food and Agriculture or a licensed microbusiness authorized to engage in cultivation; and
- (3) A label is affixed to the plant or package containing any seeds which states “This product has not been tested pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act.”

(b) A licensed retailer may not sell any other live plants.

(c) A licensed retailer shall not apply nor use any pesticide, nor cause any pesticide to be applied nor used, on live plants.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26100, Business and Professions Code.

§ 5409. Daily Limits.

(a) A licensed retailer shall not sell more than the following amounts to a single adult-use cannabis customer in a single day:

- (1) 28.5 grams of non-concentrated cannabis.
- (2) 8 grams of cannabis concentrate as defined in Business and Professions Code section 26001, including cannabis concentrate contained in cannabis products.
- (3) 6 immature cannabis plants.

(b) A licensed retailer shall not sell more than the following amounts to a single medicinal cannabis patient, or to a patient’s primary caregiver purchasing medicinal cannabis on behalf of the patient, in a single day:

(1) 8 ounces of medicinal cannabis in the form of dried mature flowers or the plant conversion as provided in Health and Safety Code section 11362.77.

(2) 12 immature cannabis plants.

(c) Notwithstanding subsection (b) of this section, if a medicinal cannabis patient’s valid physician’s recommendation contains a different amount than the limits listed in this section, the medicinal cannabis patient may purchase an amount of medicinal cannabis consistent with the patient’s needs as recommended by a physician and documented in the physician’s recommendation.

(d) The limits provided in subsection (a) and subsection (b) of this section shall not be combined to allow a customer to purchase cannabis goods in excess of any of the limits provided

in this section.

(e) For the purposes of this section, a licensed retailer shall be responsible for determining that the amount of cannabis concentrates found in manufactured cannabis products sold to customers comply with the requirements of this section.

Authority: Section 26013, Business and Professions Code. Reference: Section 26012, Business and Professions Code; and Sections 11362.1 and 11362.77, Health and Safety Code.

§ 5410. Customer Return of Cannabis Goods.

(a) For the purposes of this section, “customer return” means a customer’s return of cannabis goods that were purchased from a licensed retailer, back to the licensed retailer the cannabis goods were purchased from.

(b) A licensed retailer may accept customer returns of cannabis goods that were previously sold to a customer.

(c) A licensed retailer shall not resell cannabis goods that have been returned.

(d) A licensed retailer shall treat any cannabis goods abandoned on the licensed retailer premises as a customer return.

(e) Defective manufactured cannabis products returned by customers to a licensed retailer may be destroyed pursuant to section 5054 of this division, or returned to the licensed distributor from whom the cannabis goods were obtained in accordance with section 5053 of this division.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26011.5, 26012 and 26070, Business and Professions Code.

§ 5411. Free Cannabis Goods.

(a) A licensed retailer shall not provide free cannabis goods to any person. A licensed retailer shall not allow individuals who are not employed by the licensed retailer to provide free cannabis goods to any person on the licensed premises

(b) Notwithstanding subsection (a) of this section, in order to provide access to medicinal cannabis patients who have difficulty accessing medicinal cannabis goods, a licensee who holds an M-Retailer license, an M-Retailer Non-storefront license, or an M-Microbusiness license that is authorized for retail sales may provide free medicinal cannabis goods if the following criteria are met:

(1) Free cannabis goods are provided only to a medicinal cannabis patient or primary caregiver for the patient in possession of an identification card issued under Section 11362.71 of the Health and Safety Code.

(2) The cannabis goods comply with all applicable laboratory testing requirements under this division.

(3) Prior to being provided to the patient or primary caregiver, the cannabis goods have been

properly recorded in the track and trace system as belonging to the licensed retailer.

(4) The cannabis goods shall not leave the licensed premises unless placed in a resealable child-resistant opaque package as required for purchased cannabis goods under Business and Professions Code section 26070.1.

(5) The cannabis goods shall be applied toward the daily purchase limit for a medicinal cannabis customer pursuant to section 5409 of this division.

(6) The event shall be properly recorded in the licensed retailer's inventory records and the track and trace system.

(c) In addition to the provision of free cannabis goods in subsection (b) of this section, a licensee may donate cannabis goods and the use of equipment in compliance with any compassionate use, equity, or other similar program administered by a local jurisdiction. The licensee shall ensure that all cannabis goods provided pursuant to this subsection comply with subsections (b)(2) and (b)(6) of this section.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26013, 26153, and 26160, Business and Professions Code.

§ 5412. Prohibition on Packaging and Labeling by a Retailer.

(a) A licensed retailer shall not accept, possess, or sell cannabis goods that are not packaged as they will be sold at final sale, in compliance with this division.

(b) A licensed retailer shall not package or label cannabis goods.

(c) Notwithstanding subsection (b) of this section, a licensed retailer may place a barcode or similar sticker on the packaging of cannabis goods to be used in inventory tracking. A barcode or similar sticker placed on the packaging of a cannabis goods shall not obscure any labels required by the Act or this division.

Authority: Section 26013, Business and Professions Code. Reference: Section 26120, Business and Professions Code.

§ 5413. Cannabis Goods Packaging and Exit Packaging.

(a) All cannabis goods sold by a licensed retailer shall be in compliance with the packaging requirements.

(b) Beginning January 1, 2020, a package containing cannabis goods shall be resealable, tamper-evident, and child resistant.

(c) All cannabis goods purchased by a customer shall not leave the licensed retailer's premises unless the goods are placed in an opaque exit package.

(d) Notwithstanding subsections (a)–(c) of this section, immature plants and seeds sold by a licensed retailer are not required to be placed in resealable, tamper-evident, child resistant packaging.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070.1 and 26120, Business and Professions Code.

§ 5414. Non-Storefront Retailer.

- (a) A non-storefront retailer licensee shall be authorized to conduct retail sales exclusively by delivery as defined in Business and Professions Code section 26001(p).
- (b) A complete application for a non-storefront retailer license shall include all the information required in an application for a retailer license.
- (c) A non-storefront retailer licensee shall comply with all the requirements applicable to retailer licensees, except for those provisions related to public access to the licensed premises and the retail area.
- (d) The licensed premises of a non-storefront retailer licensee shall be closed to the public.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26070, Business and Professions Code.

§ 5415. Delivery Employees.

- (a) All deliveries of cannabis goods shall be performed by a delivery employee who is directly employed by a licensed retailer.
- (b) Each delivery employee of a licensed retailer shall be at least 21 years of age.
- (c) All deliveries of cannabis goods shall be made in person. A delivery of cannabis goods shall not be made through the use of an unmanned vehicle.
- (d) The process of delivery begins when the delivery employee leaves the retailer's licensed premises with the cannabis goods for delivery. The process of delivering ends when the delivery employee returns to the retailer's licensed premises after delivering the cannabis goods, or attempting to deliver cannabis goods, to the customer(s). During the process of delivery, the licensed retailer's delivery employee may not engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops.
- (e) A delivery employee of a licensed retailer shall, during deliveries, carry a copy of the retailer's current license, the employee's government-issued identification, and an identification badge provided by the employer pursuant to section 5043 of this division.
- (f) Prior to providing cannabis goods to a delivery customer, a delivery employee shall confirm the identity and age of the delivery customer as required by section 5404 of this division and ensure that all cannabis goods sold comply with requirements of section 5413 of this division.
- (g) A licensed retailer shall maintain an accurate list of the retailer's delivery employees and shall provide the list to the Bureau upon request.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§ 5415.1. Deliveries Facilitated by Technology Platforms.

(a) A licensed retailer or licensed microbusiness shall not sell or otherwise transfer any cannabis goods to a customer through the use of an unlicensed third party, intermediary business, broker, or any other business or entity.

(b) Notwithstanding subsection (a) of this section, a licensed retailer or licensed microbusiness may contract with a service that provides a technology platform to facilitate the sale and delivery of cannabis goods, in accordance with all of the following:

(1) The licensed retailer or licensed microbusiness does not allow for delivery of cannabis goods by the technology platform service provider.

(2) The licensed retailer or licensed microbusiness does not share in the profits of the sale of cannabis goods with the technology platform service provider, or otherwise provide for a percentage or portion of the cannabis goods sales to the technology platform service provider.

(3) The licensed retailer or licensed microbusiness shall not advertise or market cannabis goods in conjunction with the technology platform service provider, outside of the technology platform, and shall ensure that the technology platform service provider does not use the licensed retailer's or licensed microbusiness's license number or legal business name on any advertisement or marketing that primarily promotes the services of the technology platform.

(4) The licensed retailer or licensed microbusiness shall ensure the following information is provided to customers:

(A) Any cannabis goods advertised or offered for sale on or through the technology platform shall disclose, at a minimum, the licensed retailer's or licensed microbusiness's legal business name and license number.

(B) Customers placing an order for cannabis goods through the technology platform shall be able to easily identify the licensed retailer or licensed microbusiness that each cannabis good is being ordered or purchased from. This information shall be available to the customer prior to the customer placing an order or purchasing the cannabis goods.

(5) All required sales invoices and receipts, including any receipts provided to the customer, shall disclose, at a minimum, the licensed retailer's or licensed microbusiness's legal business name and license number.

(6) All other delivery, marketing, and advertising requirements under this division are complied with.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26001, 26070, 26090, 26151 and 26152, Business and Professions Code.

§ 5416. Delivery to a Physical Address.

(a) A delivery employee may only deliver cannabis goods to a physical address in California.

(b) A delivery employee shall not leave the State of California while possessing cannabis goods.

(c) A delivery employee shall not deliver cannabis goods to an address located on publicly owned land or any address on land or in a building leased by a public agency. This prohibition applies to land held in trust by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law.

(d) A delivery employee may deliver to any jurisdiction within the State of California provided that such delivery is conducted in compliance with all delivery provisions of this division.

(e) A delivery employee shall not deliver cannabis goods to a school providing instruction in kindergarten or any grades 1 through 12, day care center, or youth center.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§ 5417. Delivery Vehicle Requirements.

(a) A licensed retailer's delivery employee, carrying cannabis goods for delivery, shall only travel in an enclosed motor vehicle. Any vehicle used in the delivery of cannabis goods shall be operated by a delivery employee of the licensee. A vehicle used in the delivery of cannabis goods shall not have any marking or other indications on the exterior of the vehicle that may indicate that the delivery employee is carrying cannabis goods for delivery. Only the licensee or an employee of the retailer licensee for whom delivery is being performed shall be in the delivery vehicle.

(b) While carrying cannabis goods for delivery, a licensed retailer's delivery employee shall ensure the cannabis goods are not visible to the public. Cannabis goods shall be locked in a fully enclosed box, container, or cage that is secured on the inside of the vehicle. No portion of the enclosed box, container, or cage shall be comprised of any part of the body of the vehicle or trailer. For purposes of this section, the inside of the vehicle includes the trunk.

(c) A licensed retailer's delivery employee shall not leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an active vehicle alarm system. Any cannabis goods left in an unattended vehicle must be stored in a container as required in subsection (b) of this section.

(d) A vehicle used for the delivery of cannabis goods shall be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle and recording a history of all locations traveled to by the delivery employee while engaged in delivery. A dedicated GPS device must be owned by the licensee and used for delivery only. The device shall be either permanently or temporarily affixed to the delivery vehicle and shall remain active and inside of the delivery vehicle at all times during delivery. At all times, the licensed retailer shall be able to identify the geographic location of all delivery vehicles that are making deliveries for the licensed retailer and document the history of all locations traveled to by a delivery employee while engaged in delivery. A licensed retailer shall provide this information to the Bureau upon request. The history of all locations traveled to by a delivery employee while engaging in delivery shall be maintained by the licensee for a minimum of 90 days.

(e) Upon request, a licensed retailer shall provide the Bureau with information regarding any motor vehicle used for the delivery of cannabis goods, including the vehicle's make, model,

color, Vehicle Identification Number, license plate number and Department of Motor Vehicles registration information.

(f) Any motor vehicle used by a licensed retailer to deliver cannabis goods is subject to inspection by the Bureau. Vehicles used to deliver cannabis goods may be stopped and inspected by the Bureau at any licensed premises or during delivery.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§ 5418. Cannabis Goods Carried During Delivery.

(a) A licensed retailer's delivery employee shall not carry cannabis goods in the delivery vehicle with a value in excess of \$5,000 at any time. The value of cannabis goods carried in the delivery vehicle for which a delivery order was not received and processed by the licensed retailer prior to the delivery employee departing from the licensed premises may not exceed \$3,000.

(b) For the purposes of this section, the value of cannabis goods shall be determined using the current retail price of all cannabis goods carried by, or within the delivery vehicle of, the licensed retailer's delivery employee.

(c) A delivery employee may only carry cannabis goods in the delivery vehicle and may only perform deliveries for one licensed retailer at a time. A delivery employee must depart and return to the same licensed premises before taking possession of any cannabis goods from another licensee to perform deliveries.

(d) A licensed retailer's delivery employee shall not leave the licensed premises with cannabis goods without at least one delivery order that has already been received and processed by the licensed retailer.

(e) Before leaving the licensed premises, the licensed retailer's delivery driver must have a delivery inventory ledger of all cannabis goods provided to the licensed retailer's delivery driver. For each cannabis good, the delivery inventory ledger shall include the type of good, the brand, the retail value, the track and trace identifier, and the weight, volume or other accurate measure of the cannabis good. All cannabis goods prepared for an order that was received and processed by the licensed retailer prior to the delivery driver's departure from the licensed premises must be clearly identified on the inventory ledger. After each customer delivery, the delivery inventory ledger must be updated to reflect the current inventory in possession of the licensed retailer's delivery driver. Delivery inventory ledgers may be maintained electronically.

(f) The licensed retailer's delivery driver shall maintain a log that includes all stops from the time the licensed retailer's delivery driver leaves the licensed premises to the time that the licensed retailer's delivery driver returns to the licensed premises, and the reason for each stop. The log shall be turned in to the licensed retailer when the licensed retailer's delivery driver returns to the licensed premises. The licensed retailer must maintain the log as a commercial cannabis activity record as required by this division. The log may be maintained electronically.

(g) Prior to arrival at any delivery location, the licensed retailer must have received a delivery request from the customer and provided the delivery request receipt to the licensed retailer's delivery driver electronically or in hard copy. The delivery request receipt provided to the licensed retailer's delivery driver shall contain all of the information required in section 5420 of this division, except for the date and time the delivery was made, and the signature of the customer.

(h) Immediately upon request by the Bureau or any law enforcement officer, the licensed retailer's delivery driver shall provide:

(1) All delivery inventory ledgers from the time the licensed retailer's delivery driver left the licensed premises up to the time of the request;

(2) All delivery request receipts for cannabis goods carried by the driver, in the delivery vehicle, or any deliveries that have already been made to customers; and

(3) The log of all stops from the time the licensed retailer's delivery driver left the licensed premises up to the time of the request.

(i) If a licensed retailer's delivery driver does not have any delivery requests to be performed for a 30-minute period, the licensed retailer's delivery driver shall not make any additional deliveries and shall return to the licensed premises. Required meal breaks shall not count toward the 30-minute period.

(j) Upon returning to the licensed premises, all undelivered cannabis goods shall be returned to inventory and all necessary inventory and track-and-trace records shall be updated as appropriate that same day.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070, 26090 and 26160, Business and Professions Code.

§ 5419. Cannabis Consumption During Delivery.

A licensed retailer's delivery employees shall not consume cannabis goods while delivering cannabis goods to customers.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§ 5420. Delivery Request Receipt.

A licensed retailer shall prepare a hard copy or electronic delivery request receipt for each delivery of cannabis goods.

(a) The delivery request receipt shall contain the following:

(1) The name and address of the licensed retailer;

(2) The first name and employee number of the licensed retailer's delivery employee who delivered the order;

(3) The first name and employee number of the licensed retailer's employee who prepared the order for delivery;

(4) The first name of the customer and a licensed retailer-assigned customer number for the person who requested the delivery;

(5) The date and time the delivery request was made;

(6) The delivery address;

(7) A detailed description of all cannabis goods requested for delivery. The description shall include the weight, volume, or any other accurate measure of the amount of all cannabis goods requested;

(8) The total amount paid for the delivery, including any taxes or fees, the cost of the cannabis goods, and any other charges related to the delivery; and

(9) Upon delivery, the date and time the delivery was made, and the handwritten or electronic signature of the customer who received the delivery.

(b) At the time of the delivery, the delivery employee of the retailer shall provide the customer who placed the order with a hard or electronic copy of the delivery request receipt. The delivery employee shall retain a hard or electronic copy of the signed delivery request receipt for the licensed retailer's records.

(c) For the purposes of this section, an employee number is a distinct number assigned by a licensed retailer to an employee that would allow the licensed retailer to identify the employee in documents or records using the employee number rather than the employee's full name. A licensed retailer shall be able to identify the employee associated with each employee number upon request from the Bureau.

(d) For the purposes of this section, a customer number is a distinct number assigned by a licensed retailer to a customer that would allow the licensed retailer to identify the customer in documents or records using the customer number rather than the customer's full name. A licensed retailer shall be able to identify the customer associated with each customer number upon request from the Bureau.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070, 26090 and 26160, Business and Professions Code.

§ 5421. Delivery Route.

While making deliveries of cannabis goods, a licensed retailer's delivery employee shall only travel from the retailer's licensed premises to the delivery address; from one delivery address to another delivery address; or from a delivery address back to the retailer's licensed premises. A delivery employee of a licensed retailer shall not deviate from the delivery path described in this section, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§ 5422. Receiving Shipments of Inventory.

- (a) A licensed retailer shall receive a shipment of cannabis goods only from a licensed distributor or licensed microbusiness authorized to engage in distribution.
- (b) A licensed retailer shall accept shipments of cannabis goods only between the hours of 6:00 a.m. Pacific Time and 10:00 p.m. Pacific Time.
- (c) During business hours, shipments of cannabis goods shall not enter the licensed premises through an entrance or exit that is available for use by the public.
- (d) A licensed retailer whose licensed premises only has one entryway may be exempt from the requirements of subsection (c) of this section if the licensed retailer obtains authorization from the local jurisdiction explicitly authorizing this activity. The licensed retailer shall be required to provide this authorization to the Bureau upon request. For this section to apply, the licensed premises must physically have only one entryway and cannot have any other entryways.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26070, Business and Professions Code.

§ 5423. Inventory Documentation.

A licensed retailer shall maintain an accurate record of its inventory. A licensed retailer shall provide the Bureau with the record of inventory immediately upon request. A licensed retailer shall keep a record of the following information for all cannabis goods the licensed retailer has in its inventory:

- (a) A description of each item such that the cannabis goods can easily be identified;
- (b) An accurate measurement of the quantity of the item;
- (c) The date and time the cannabis goods were received by the licensed retailer;
- (d) The sell-by or expiration date provided on the package of cannabis goods, if any;
- (e) The name and license number of the licensed distributor or licensed microbusiness that transported the cannabis goods to the licensed retailer; and
- (f) The price the licensed retailer paid for the cannabis goods, including taxes, delivery costs, and any other costs.

Authority: Section 26013, Business and Professions Code. Reference: Section 26160, Business and Professions Code.

§ 5424. Inventory Reconciliation.

- (a) A licensed retailer shall be able to account for all of its inventory.
- (b) In conducting an inventory reconciliation, a licensed retailer shall verify that the licensed retailer's physical inventory is consistent with the licensed retailer's records pertaining to inventory.
- (c) The result of inventory reconciliation shall be retained in the licensed retailer's records and shall be made available to the Bureau upon request.
- (d) If a licensed retailer identifies any evidence of theft, diversion, or loss, the licensed retailer shall notify the Bureau and law enforcement pursuant to section 5036 of this division.
- (e) If a significant discrepancy as defined in section 5034 of this division is discovered between a licensed retailer's physical inventory and the licensed retailer's inventory records, the licensed retailer shall notify the Bureau and law enforcement pursuant to section 5036 of this division.

Authority: Section 26013, Business and Professions Code. Reference: Section 26160, Business and Professions Code.

§ 5426. Records.

All licensed retailer-specific records in this chapter shall be maintained in accordance with section 5037 of this division.

Authority: Section 26013, Business and Professions Code. Reference: Section 26160, Business and Professions Code.

§ 5427. Retailer Premises to Retailer Premises Transfer.

- (a) A licensee who holds multiple retail licenses may arrange for the transfer of cannabis goods from one licensed retail premises to another licensed retail premises if both retail licenses are held under the same ownership.
- (b) Cannabis goods transferred to a licensed retail premises under subsection (a) of this section may be sold by the licensed retailer receiving the cannabis goods only if the cannabis goods comply with all requirements found in the Act and this division.
- (c) The transportation of cannabis goods under this section must comply with all requirements found within the Act and this division.
- (d) Any movement of cannabis goods under this section shall be properly entered into the state track and trace system.

Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code.



**BUREAU OF
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CALIFORNIA

MICROBUSINESS

§ 5500. Microbusiness.

(a) In order to hold a microbusiness license, a licensee must engage in at least three (3) of the following commercial cannabis activities: cultivation, manufacturing, distribution, and retail sale. License types created by the California Department of Food and Agriculture or the State Department of Public Health in regulation shall not be considered qualifying commercial cannabis activities for purposes of obtaining a microbusiness license, except for the Type N manufacturing license.

(b) An applicant for a microbusiness license shall indicate on the application for licensure which commercial cannabis activities the applicant intends to engage in.

(c) An application for a microbusiness license shall include:

(1) For an application indicating that the applicant intends to engage in cultivation under the microbusiness license, all the required information under sections 5002, 5501, 5502 and 5503 of this division.

(2) For an application indicating that the applicant intends to engage in manufacturing under the microbusiness license, all the required information under sections 5002, and 5506 of this division.

(3) For an application indicating that the applicant intends to engage in distribution under the microbusiness license, all the required information for an application seeking a distributor license.

(4) For an application indicating that the applicant intends to engage in distribution, transport- only under the microbusiness license, all the required information for an

application seeking a distributor, transport-only license.

(5) For an application indicating that the applicant intends to engage in retail sale under the microbusiness license, all the required information for an application seeking a retailer license.

(6) For an application indicating that the applicant intends to engage in non-storefront retail sale under the microbusiness license, all the required information for an application seeking a non- storefront retailer license.

(d) All cultivation, manufacturing, distribution, and retail activities performed by a licensee under a microbusiness license shall occur on the same licensed premises.

(e) A holder of a microbusiness license shall comply with the following:

(1) A holder of a microbusiness license engaged in cultivation shall comply with all the rules and requirements applicable to the cultivation license type suitable for the cultivation activities of the licensee.

(2) A holder of a microbusiness license engaged in manufacturing shall comply with all the rules and requirements applicable to a Manufacturer 1 license in Division 1 of Title 17 of the California Code of Regulations.

(3) A holder of a microbusiness license engaged in distribution shall comply with all the rules and requirements applicable to a distributor license in this division.

(4) A holder of a microbusiness license engaged in retail sale shall comply with all the rules and requirements applicable to a retailer license, or a non-storefront retailer license if retail sales are conducted by delivery only, in this division.

(f) A holder of a microbusiness license may only engage in the commercial cannabis activity requested in the license application and approved by the Bureau at the time the license is issued. If the holder of a microbusiness license wants to engage in an additional commercial cannabis activity after the license is issued, the licensee shall submit a request for a modification of the licensed premises pursuant to section 5027 of this division.

(g) A holder of a microbusiness license shall comply with all the security rules and requirements applicable to the corresponding license type suitable for the activities of the licensee.

(h) Areas of the licensed premises for manufacturing and cultivation shall be separated from the distribution and retail areas by a wall and all doors between the areas shall remain closed when not in use.

(i) A suspension or revocation of a microbusiness licensee shall affect all commercial cannabis activities allowed pursuant to that license.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012, 26050, 26051.5 and 26070, Business and Professions Code.

§ 5501. Microbusiness Applications Including Cultivation Activities.

In addition to the information required in section 5002 of this division, an application for a microbusiness license to engage in cultivation shall include the following:

(a) Evidence of enrollment with the applicable Regional Water Quality Control Board or State Water Resources Control Board for water quality protection programs or written verification from the appropriate Board that enrollment is not necessary.

(b) Evidence that the applicant has conducted a hazardous materials record search of the EnviroStor database for the proposed premises. If hazardous sites were encountered, the applicant shall provide documentation of protocols implemented to protect employee health and safety.

(c) For indoor and mixed-light cultivation, identification of all power sources for cultivation activities, including, but not limited to: illumination, heating, cooling, and ventilation.

(d) A premises diagram pursuant to section 5006 of this division that shall also include:

(1) All roads and water crossings on the property.

(2) If the applicant is proposing to use a diversion from a waterbody, groundwater well, or rain catchment system as a water source for cultivation, the following locations on the property diagram with locations also provided as coordinates in either latitude and longitude or the California Coordinate System:

(A) Sources of water used, including the location of waterbody diversion(s), pump location(s), and distribution system; and

(B) Location, type, and capacity of each storage unit to be used for cultivation.

(e) A proposed cultivation plan pursuant to section 5502 of this division.

(f) Identification of all water sources used for cultivation activities and the applicable supplemental information for each source as required by section 5503 of this division:

(1) A retail water supplier;

(2) A groundwater well;

(3) A rainwater catchment system; or

(4) A diversion from a surface waterbody or an underground stream flowing in a known and definite channel.

(g) A copy of any final lake or streambed alteration agreement issued by the California Department of Fish and Wildlife, pursuant to Fish and Game Code sections 1602 and 1617, or written verification from the California Department of Fish and Wildlife that a lake and streambed alteration agreement is not required.

(h) An attestation that the applicant entity is an "agricultural employer" as defined by the Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975; Division 2, Part 3.5 (commencing with Section 1140) of the Labor Code.

(i) An attestation that the local fire department has been notified of the cultivation site if the applicant entity is an indoor license type.

(j) An acknowledgement that the applicant understands that the information provided in the application that is relevant to the cultivation operation may be shared with the Department of Food and Agriculture for purposes of evaluating the applicant's qualifications for licensure. If the Department of Food and Agriculture corresponds directly with the applicant on matters related to the application, the applicant shall agree to cooperate. The applicant shall further agree that the Department of Food and Agriculture may conduct inspections on

the areas of the premises related to their respective oversight authority.

(k) If applicable, a detailed description of any fines or penalties for cultivation or production of a controlled substance on public or private land pursuant to Fish and Game Code section 12025 or 12025.1 against the applicant or a business entity in which the applicant was an owner or officer within 3 years preceding the date of application.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012, 26050, 26051.5 and 26070, Business and Professions Code.

§ 5502. Cultivation Plan Requirements.

A cultivation plan shall include all of the following:

(a) A detailed premises diagram showing all cultivation activity areas, boundaries, and dimensions in feet. The total area of the following cultivation activity areas shall be less than 10,000 square feet as provided in Business and Professions Code section 26070.

- (1) Canopy area(s) (which shall contain mature plants, at any point in time), including aggregate square footage if the canopy areas are noncontiguous.
- (2) Area(s) outside of the canopy where only immature plants shall be maintained, if applicable.
- (3) Designated pesticide and other agricultural chemical storage area(s).
- (4) Designated processing area(s) if the licensee will process on site.
- (5) Designated packaging area(s) if the licensee will package products on site.
- (6) Designated composting area(s) if the licensee will compost plant or cannabis waste on site.
- (7) Designated secured area(s) for cannabis waste if different than subsection (a)(6) of this section.
- (8) Designated area(s) for harvested cannabis storage.
- (9) Designated research and development area(s) which may contain mature plants for nursery only.
- (10) Designated seed production area(s) which may contain mature plants for nursery only.

(b) For purposes of subsection(a)(1) in this section, canopy shall be calculated in square feet and measured using clearly identifiable boundaries of all areas(s) that will contain mature plants at any point in time, including all of the space(s) within the boundaries. Canopy may be noncontiguous, but each unique area included in the total canopy calculation shall be separated by an identifiable boundary which include, but are not limited to: interior walls, shelves, greenhouse walls, hoop house walls, garden benches, hedgerows, fencing, garden beds, or garden plots. If mature plants are being cultivated using a shelving system, the surface area of each level shall be included in the total canopy calculation. Immature plants for cultivation activities of a microbusiness shall have the same definition as defined by the

California Department of Food

and Agriculture in regulation.

(c) For indoor and mixed-light cultivation, a lighting diagram with the following information shall be included:

(1) Location of all lights in the canopy area(s); and

(2) Maximum wattage, or wattage equivalent, of each light.

(d) A pest management plan which shall include, but not be limited to, the following:

(1) Product name and active ingredient(s) of all pesticides to be applied to cannabis during any stage of plant growth; and

(2) Integrated pest management protocols including chemical, biological, and cultural methods the applicant anticipates using to control or prevent the introduction of pests on the cultivation site.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26050, 26051.5 and 26070, Business and Professions Code.

§ 5503. Supplemental Water Source Information.

The following information shall be provided for each water source identified by the applicant: (a) Retail water supply sources:

(1) If the water source is a retail water supplier, as defined in Water Code section 13575, identify the retail water supplier.

(2) If the water source is a small retail water supplier, such as a delivery service, and is subject to Business and Professions Code section 26060.1(a)(1)(B):

(A) If the retail water supplier contract is for delivery or pickup of water from a surface water body or an underground stream flowing in a known and definite channel, provide all of the following:

(i) The name of the retail water supplier under the contract;

(ii) The geographic location coordinates in either latitude and longitude or the California Coordinate System of any point of diversion used by the retail water supplier to divert water delivered to the applicant under the contract;

(iii) The authorized place of use of any water right used by the retail water supplier to divert water delivered to the applicant under the contract; and

(iv) The maximum amount of water delivered to the applicant for cannabis cultivation in any year.

(B) If the retail water supplier contract is for delivery or pickup of water from a groundwater well, provide all of the following:

(i) The name of the retail water supplier;

(ii) The geographic location coordinates for any groundwater well used to supply water

delivered to the applicant, in either latitude and longitude or the California Coordinate System;

(iii) The maximum amount of water delivered to the applicant for cannabis cultivation in any year; and

(iv) A copy of the well log filed with the Department of Water Resources pursuant to Water Code section 13751 for each percolating groundwater well used to divert water delivered to the applicant. If no well log is available, the applicant shall provide evidence from the Department of Water Resources indicating that the Department of Water Resources does not have a record of the well log. When no well log is available, the State Water Resources Control Board may request additional information about the well.

(b) If the water source is a groundwater well:

(1) The groundwater well's geographic location coordinates in either latitude and longitude or the California Coordinate System; and

(2) A copy of the well log filed with the Department of Water Resources pursuant to Water Code section 13751. If no well log is available, the applicant shall provide evidence from the Department of Water Resources indicating that the Department of Water Resources does not have a record of the well log. If no well log is available, the State Water Resources Control Board may request additional information about the well.

(c) If the water source is a rainwater catchment system:

(1) The total square footage of the catchment footprint area(s);

(2) The total storage capacity, in gallons, of the catchment system(s); and

(3) A detailed description of the type, nature, and location of each catchment surface. Examples of catchment surfaces include a rooftop and greenhouse.

(d) If the water source is a diversion from a waterbody, provide any applicable statement, application, permit, license, or small irrigation use registration identification number(s), and either:

(1) A copy of any applicable registrations, permits, or licenses or proof of a pending application, issued under Part 2 (commencing with Section 1200) of Division 2 of the Water Code as evidence of approval of a water diversion by the State Water Resources Control Board;

(2) A copy of any statements of diversion and use filed with the State Water Resources Control Board before October 31, 2017, detailing the water diversion and use; or

(3) A copy of documentation submitted to the State Water Resources Control Board before October 31, 2017, demonstrating that the diversion is authorized under a riparian right and that no diversion occurred in any calendar year between January 1, 2010, and January 1, 2017.

(4) If the applicant has claimed an exception from the requirement to file a statement of diversion and use pursuant to Water Code section 5101, the applicant shall provide a copy of the documentation submitted to the State Water Resources Control Board before January 1, 2019, demonstrating that the diversion is subject to Water Code section 5101, subdivision (a), (c), (d), or (e).

Authority: Section 26013, Business and Professions Code. Reference: Sections 26050, 26051.5 and 26070, Business and Professions Code; and Section 13149, Water Code.

§ 5504. License Issuance in an Impacted Watershed.

If the State Water Resources Control Board or the Department of Fish and Wildlife finds, based on substantial evidence, that a licensed microbusiness' cannabis cultivation is causing significant adverse impacts on the environment in a watershed or other geographic area, the Bureau shall not issue new microbusiness licenses that include cultivation activities or increase the total number of plant identifiers within that watershed or area.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26011.5, 26055 and 26070, Business and Professions Code.

§ 5505. Cultivation Records for Licensees Engaging in Cultivation Activities.

In addition to the records required by section 5037 of this division, a licensed microbusiness engaging in cultivation activities shall maintain the following records:

- (a) Cultivation plan(s);
- (b) All records evidencing compliance with the environmental protection measures required in sections 5501, 5502, 5503 and 5504 of this division; and
- (c) All unique identifiers (UID) assigned to product in inventory and all unassigned UIDs. UIDs associated with product that has been retired from the track and trace system must be retained for six (6) months after the date the tags were retired.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26069, 26160, and 26161, Business and Professions Code.

§ 5506 Microbusiness Applications Including Manufacturing Activities.

In addition to the information required in section 5002 of this division, an application for a microbusiness license that engages or will engage in manufacturing, shall include the following:

- (a) The type of activity conducted at the premises (extraction, infusion, packaging, and/or labeling).
- (b) The types of products that will be manufactured, packaged, or labeled.
- (c) The name, title, and phone number of the on-site individual who manages the operation of the premises.
- (d) The name, title, and phone number of an alternate contact person for the premises.
- (e) The number of employees at the premises.
- (f) The following information:
 - (1) A description of inventory control procedures sufficient to demonstrate how the applicant will comply with the requirements of section 40282 of Title 17 of the California Code of Regulations, or a copy of the standard operating procedure addressing inventory

control;

- (2) A copy of the product quality plan that meets the requirements of section 40253 of Title 17 of the California Code of Regulations; and
- (3) A description of security procedures sufficient to demonstrate how the applicant will comply with the requirements of section 40200 of Title 17 of the California Code of Regulations, or a copy of the standard operating procedure addressing security procedures.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012, 26050, 26051.5, 26055 and 26070, Business and Professions Code.

§ 5506.1 Microbusiness Failed Manufactured Cannabis Product Batches.

A microbusiness licensee that engages or will engage in manufacturing shall handle failed manufactured cannabis product batches in accordance with the following:

- (a) A finished manufactured cannabis product batch that fails any laboratory testing requirement established by the Bureau pursuant to Business and Professions Code section 26100 shall be destroyed unless a corrective action plan for remediation or reprocessing is approved by the Bureau pursuant to subsection (d) of this section.
- (b) Remediation or reprocessing of a failed manufactured cannabis product batch or the use of a harvest batch that has failed any laboratory test shall comply with the requirements and procedures established by the Bureau in section 5727 of this division.
- (c) Edible cannabis products that fail laboratory testing requirements shall not be remediated or reprocessed and shall be destroyed. If any edible cannabis product that has failed laboratory testing is remediated, reprocessed, or otherwise mixed with another batch of cannabis product, such action shall render the final cannabis product adulterated, as defined in Business and Professions Code section 26131, regardless of the defect level of the final cannabis product.
- (d) A manufactured cannabis product batch or a harvest batch that fails laboratory testing or quality assurance review shall not be remediated or reprocessed unless the Bureau has approved a corrective action plan submitted by the microbusiness licensee. The corrective action plan shall include, at minimum, a description of how the product or harvest batch will be remediated so that the product or harvest batch, or any product produced therefrom, will meet all laboratory testing and quality assurance requirements. Corrective action plans will be reviewed by the Bureau on a case-by-case basis.
- (e) All remediation of harvest or manufactured cannabis product batches shall be documented in the microbusiness' manufacturing records. Remediated products, harvest batches, or products produced therefrom shall be tested and undergo quality assurance review in accordance with the requirements established by the Bureau in Chapter 2 of this division.
- (f) Notwithstanding subsection (c) of this section, if the edible cannabis products are orally- dissolving products, as defined in section 5700 of this division, and fail laboratory testing because the per-package limit of THC for adult-use products has been exceeded, the orally- dissolving products may be remediated by repackaging the orally-dissolving products as medicinal products in accordance with the following:

(1) A corrective action plan pursuant to subsection (d) of this section shall be submitted to and approved by the Bureau;

- (2) The orally-dissolving edible cannabis products batch is returned to the licensed microbusiness that packaged the products;
- (3) The orally-dissolving edible cannabis products are not altered in any way; and
- (4) The orally-dissolving edible cannabis product is labeled to accurately state the contents.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012, 26050 and 26070, Business and Professions Code.

§ 5507 Microbusiness Records for Licensees Engaging in Manufacturing Activities.

In addition to the records required by section 5037 of this division, a licensed microbusiness engaging in manufacturing activities shall maintain all records required to be maintained by manufacturers under Chapter 13, Division 1 of Title 17 of the California Code of Regulations.

Authority: Section 26013, Business and Professions Code. Reference: Section 26160, Business and Professions Code.

Chapter 5. CANNABIS EVENTS

§ 5600. Cannabis Event Organizer License.

- (a) To obtain a temporary cannabis event license, the event organizer must first apply for and obtain a cannabis event organizer license.
- (b) A cannabis event organizer licensed under this section shall comply with chapter 1 of this division except for sections 5001-5002, 5006-5008, 5010-5010.3, 5016, 5019, 5025-5028, 5032-5034, 5038, 5042, 5044, and 5046-5054.
- (c) A cannabis event organizer licensee is not authorized or licensed to cultivate, distribute, manufacture, or retail cannabis or cannabis products without first obtaining the appropriate licenses or authorizations to engage in such commercial cannabis activities.
- (d) A cannabis event organizer licensee shall comply with the record retention provisions of section 5037 of this division. Records shall be kept by the cannabis event organizer licensee in a manner that allows the records to be produced for the Bureau in either hard copy or electronic form, whichever the Bureau requests. Failure to produce records upon the Bureau's request may result in disciplinary action against the cannabis event organizer license and/or denial of a temporary cannabis event license.
- (e) Cannabis event organizer applications may be completed online at www.bcc.ca.gov or by delivering a printed copy to the Bureau's office(s).
- (f) Applicants who submit their applications online shall first register for a user account as provided by section 5002(b) of this division.
- (g) An application must be completed by an owner as defined by section 5003 of this division. An application for a cannabis event organizer license includes the following:
 - (1) The name of the applicant. For applicants who are individuals, the applicant shall provide both the first and last name of the individual. For applicants who are business entities, the applicant shall provide the legal business name of the applicant.
 - (2) If applicable, the business trade name ("DBA") of the applicant.

(3) Payment of an application fee pursuant to section 5014 of this division.

(4) Whether the owner is serving or has previously served in the military. Disclosure of military service is voluntary. An applicant who has served as an active duty member of the Armed Forces of the United States and was honorably discharged and who can provide evidence of such honorable discharge shall have his or her application expedited pursuant to Business and Professions Code section 115.4.

(5) A list of the license types and the license numbers issued from the Bureau and all other state cannabis licensing authorities that the applicant holds, including the date the license was issued and the licensing authority that issued the license.

(6) Whether the applicant has been denied a license or has had a license suspended or revoked by the Bureau or any other state cannabis licensing authority. The applicant shall provide the type of license applied for, the name of the licensing authority that denied the application, and the date of denial.

(7) The mailing address for the applicant.

(8) The telephone number for the applicant.

(9) The website address of the applicant's business, if applicable.

(10) The email address for the applicant's business.

(11) Contact information for the applicant's designated primary contact person including the name, title, phone number, and email address of the individual.

(12) The federal employer identification number for the applicant's business.

(13) A description of the business organizational structure of the applicant, such as partnership or corporation.

(14) All business-formation documents, which may include, but are not limited to, articles of incorporation, bylaws, operating agreements, partnership agreements, and fictitious business name statements. The applicant shall also provide all documents filed with the California Secretary of State, which may include, but are not limited to, articles of incorporation, certificates of stock, articles of organization, certificates of limited partnership, and statements of partnership authority. If the commercial cannabis business is held in trust, the applicant shall provide a copy of the certificate of trust establishing trustee authority.

(15) A list of every fictitious business name the applicant is operating under including the address where the business is located.

(16) A commercial cannabis business that is a foreign corporation shall include in its application the certificate of qualification, certificate of registration, or certificate of status issued by the California Secretary of State.

(17) The applicant shall supply the following financial information:

(A) A list of funds belonging to the applicant's cannabis event organizing business held in savings, checking, or other accounts maintained by a financial institution. The applicant shall provide, for each account, the financial institution's name, the financial institution's address, account type, account number, and the amount of money in the account.

(B) A list of loans made to the applicant for its use in cannabis event organizing activities. For each loan, the applicant shall provide the amount of the loan, the date of the loan, term(s) of the loan, security provided for the loan, and the name, address, and phone number of the lender.

(C) A list of investments made into the applicant's cannabis event organizing activities. For each investment, the applicant shall provide the amount of the investment, the date of the investment, term(s) of the investment, and the name, address, and phone number of the investor.

(D) A list of all gifts of any kind given to the applicant for its use in cannabis event organizing activities. For each gift, the applicant shall provide the value of the gift or description of the gift, and the name, address, and phone number of the provider of the gift.

(18) A complete list of every individual that has a financial interest in the cannabis event organizing business as defined in section 5004 of this division, who is not an owner as defined in section 5003 of this division.

(19) A complete list of every owner of the applicant as defined in section 5003 of this division. Each individual named on this list shall submit the following information:

(A) The full name of the owner.

(B) The owner's title within the applicant entity.

(C) The owner's date of birth and place of birth.

(D) The owner's social security number or individual taxpayer identification number.

(E) The owner's mailing address.

(F) The owner's telephone number. This may include a number for the owner's home, business, or mobile telephone.

(G) The owner's email address.

(H) The owner's current employer.

(I) The percentage of the ownership interest held in the applicant entity by the owner.

(J) Whether the owner has an ownership or a financial interest as defined in sections 5003 and 5004, respectively, of this division in any other commercial cannabis business licensed under the Act.

(K) A copy of the owner's government-issued identification. Acceptable forms of identification are a document issued by a federal, state, county, or municipal government that includes the name, date of birth, height, gender, and picture of the person, such as a driver license.

(L) A detailed description of the owner's convictions. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Convictions dismissed under Penal Code section 1203.4 or equivalent non-California law must be disclosed. Convictions dismissed under Health and Safety Code section 11361.8 or equivalent non-California law must be disclosed. Juvenile adjudications and traffic infractions

under \$300 that did not involve alcohol, dangerous drugs, or controlled substances do not need to be included. For each conviction, the owner shall provide the following:

- (i) The date of conviction.
 - (ii) Dates of incarceration, if applicable.
 - (iii) Dates of probation, if applicable.
 - (iv) Dates of parole, if applicable.
 - (v) A detailed description of the offense for which the owner was convicted.
 - (vi) A statement of rehabilitation for each conviction. The statement of rehabilitation is to be written by the owner and may contain evidence that the owner would like the Bureau to consider that demonstrates the owner's fitness for licensure. Supporting evidence may be attached to the statement of rehabilitation and may include, but is not limited to, a certificate of rehabilitation under Penal Code section 4852.01, and dated letters of reference from employers, instructors, or professional counselors that contain valid contact information for the individual providing the reference.
- (M) If applicable, a detailed description of any administrative orders or civil judgments for violations of labor standards, any suspension of a commercial cannabis license, revocation of a commercial cannabis license, or sanctions for unlicensed commercial cannabis activity by a licensing authority, local agency, or state agency against the applicant or a business entity in which the applicant was an owner or officer within the three years immediately preceding the date of the application.
- (N) Attestation to the following statement: Under penalty of perjury, I hereby declare that the information contained within and submitted with the application is complete, true, and accurate. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the license, or revocation of a license issued.
- (20) For an applicant with 20 or more employees, the applicant shall attest that the applicant has entered into a labor peace agreement and will abide by the terms of the agreement. The applicant shall submit a copy of the page of the labor peace agreement that contains signatures of the union representative and the applicant. For applicants who have not yet entered into a labor peace agreement, the applicant shall provide a notarized statement indicating the applicant will enter into and abide by the terms of a labor peace agreement as soon as reasonably practicable after licensure.
- (21) The limited waiver of sovereign immunity required by section 5009 of this division, if applicable.
- (22) The applicant's State Employer Identification Number (SEIN) issued by the California Employment Development Department.
- (23) For an applicant with more than one employee, the applicant shall attest that the applicant employs, or will employ within one year of receiving a license, one supervisor and one employee who have successfully completed a Cal-OSHA 30-hour general industry outreach course offered by a training provider that is authorized by an OSHA Training Institute Education Center to provide the course.

Authority: Sections 115.4 and 26013, Business and Professions Code. Reference: Sections 115.4, 144, 26012 and 26200, Business and Professions Code.

RESOLUTION NO. PC 137-2019



RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF RIO DELL RECOMMENDING TEXT AMENDMENTS TO SECTION 17.30.195 OF TITLE 17 OF THE RIO DELL MUNICIPAL CODE RELATING TO RETAIL SALES, TESTING LABORATORIES, CULTIVATION ON THE DINSMORE PLATEAU AND ANNUAL FEES.

WHEREAS, California Government Code Section 65850, et seq. authorizes counties and cities to regulate land use, including agriculture, and to adopt and amend zoning ordinances for such purposes, and sets forth procedures governing the adoption and amendment of such ordinances; and

WHEREAS, on October 9, 2015 Governor Brown approved a package of three bills enacted by the legislature on September 11, 2015, SB 643, AB 243, and AB 266, providing for comprehensive, concurrent regulation and licensing by state and local governments of medical marijuana as an agricultural product, including its cultivation, processing, testing, manufacture, distribution, transportation, dispensing, and delivery; and

WHEREAS, pursuant to Section 11362.777, subsection (c)(3), "A city, county, or city and county's locally issued conditional permit requirements must be at least as stringent as the Department of Food and Agriculture's state licensing requirements"; and

WHEREAS, the state statutes establishing a regulated, legitimate basis for commercial cannabis economic activities under the authorization of state law provide an opportunity to bring unregulated activities into compliance with existing law and ameliorate adverse environmental impacts, while bringing it out of the shadows of an underground, black-market economy into a legitimate agricultural and commercial contributor to the local and state economy; and

WHEREAS, the City of Rio Dell has previously adopted a land use ordinance governing commercial cannabis activities consistent with the Medicinal and Adult-Use Cannabis Regulations and Safety Act (MAUCRSA); and

WHEREAS the City has reviewed and processed the proposed text amendments in conformance with Sections 65350 – 65362 of the California Government Code; and

WHEREAS the City has reviewed and processed the proposed amendment in conformance with Section 17.35.010 of the City of Rio Dell Municipal Code; and

WHEREAS the City finds that based on evidence on file and presented in the staff report that the proposed amendment is consistent and compatible with the General Plan and any implementation programs that may be affected; and

WHEREAS the proposed amendment has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Rio Dell finds that:

1. The proposed amendments are consistent with the General Plan and any applicable specific plan; and
2. The proposed amendments are Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Planning Commission of the City of Rio Dell recommends that the City Council approve the proposed amendments to Chapter 17.30.195 of the Rio Dell Municipal Code.

I HEREBY CERTIFY that the forgoing Resolution was PASSED and ADOPTED at a regular meeting of the Planning Commission of the City of Rio Dell on February 26, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Nick Angeloff, Chairperson

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Resolution No. PC 137-2019 adopted by the Planning Commission of the City of Rio Dell on February 26, 2019.

Karen Dunham, City Clerk, City of Rio Dell

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: February 26, 2019

☐ Consent Item; ☒ Public Hearing Item

To: Planning Commission

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager 

Date: February 21, 2019

Subject: Pre-Zone of the City's Wastewater Disposal Field; APN 205-111-039

Recommendation:

That the City Council:

1. Receive staff's presentation; and
2. Open public hearing and receive public comment; and
3. Close public hearing, deliberate and provide direction to staff to present to the City Council.
4. Adopt Resolution No. PC 138-2019 recommending that the City Council pre-zone the City's Wastewater Disposal Field; APN 205-111-039 and intervening areas in anticipation of annexing the area into the City.

Background and Discussion

In 2012/2013 the City upgraded the wastewater treatment plant which included the establishment of a wastewater disposal field north of the City. This area is not within the City limits. As such, the City pay's approximately \$2,500 in property taxes annually. Once annexed into the City, the City would no longer have to pay the annual property taxes.

Annexations are subject to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000, et seq. ("CKH Act"). Humboldt LAFCo is responsible for regulating local governmental boundaries and municipal service areas in Humboldt County for purposes of facilitating orderly growth and development. This authority principally involves overseeing city and special district boundaries by approving or disapproving proposed changes of organization as defined by Government Code §56021. Humboldt LAFCo is also authorized to exercise broad discretion in amending as well as establishing conditions in approving changes of organization and outside service extensions as long it does not directly regulate land use, subdivisions requirements, or property development.

The area to be annexed was included in the City's updated Municipal Service Review (MSR) and within the City's Sphere of Influence (SOI) which was adopted by LAFCo in November 2018. Attachment 1 includes a copy of the adopted Sphere of Influence map. Below is the narrative of the area:

City Wastewater Disposal Irrigation Fields Area

The City of Rio Dell has requested that their wastewater disposal irrigation fields, located adjacent to the city limits in the Metropolitan Road area, be included in the city's SOI in anticipation of annexing the parcel into the city. The site is located just north of the Eel River and west of Highway 101 on APN 205-111-039, which was created through a lot line adjustment in 2011 after the city acquired several parcels for disposing of treated wastewater for irrigation purposes during summer months (May-October). The subject parcel has not been pre-zoned by the city and is currently designated Public Facility (PF) under the most recent Humboldt County General Plan, which is used "to classify land appropriate for use by a governmental agency or public agency, which has the purpose of serving the public health, safety, convenience, or welfare

In response to the City' referral, included as Attachment 2, LAFCo staff recommended expanding the area to include the adjacent portions of the Highway 101 Right of Way and APN 205-111-039.

The first step in the annexation process is to pre-zone the area to be annexed into the City. Of course staff is recommending that the area be pre-zoned Public Facility. The Public Facility or PF zone is intended to be applied to lands owned by public agencies or to lands upon which such agencies operate public facilities. A copy of the Public Facility development standards is included as Attachment 3.

Once the area is pre-zoned, the City Council must adopt a Resolution initiating the annexation. Once the pre-zoning is complete and the Council adopts a Resolution initiating the annexation, the City is then allowed to make application to LAFCo.

Attachment 1: Adopted Sphere of Influence Map

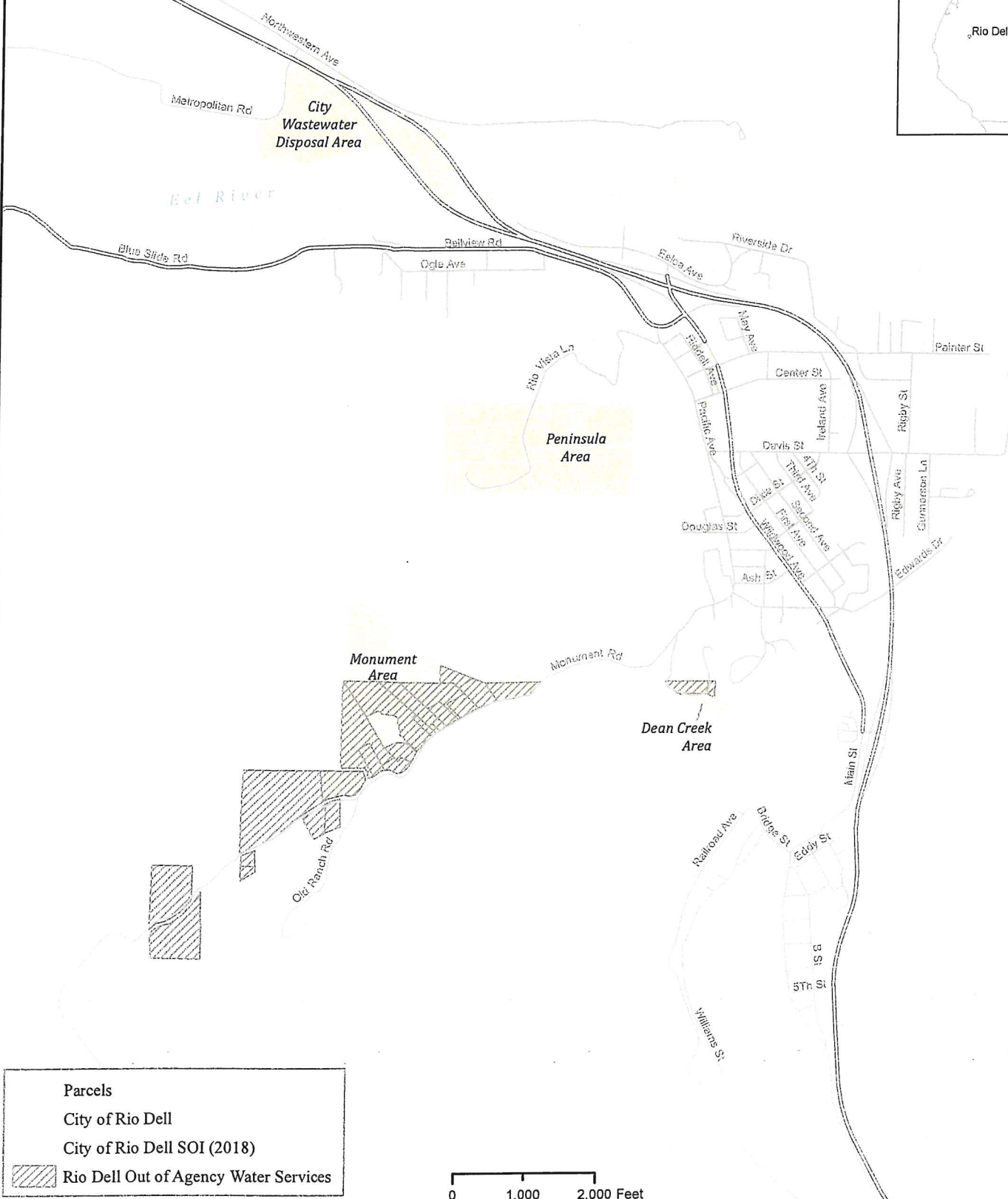
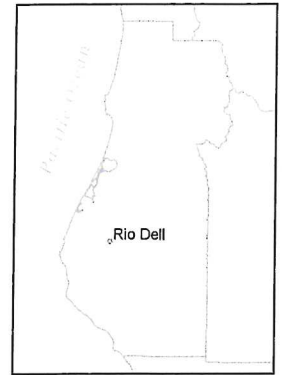
Attachment 2: City Referral

Attachment 3: Public Facility Development Standards

Attachment 4: Resolution No. 139-2019



EXHIBIT A Resolution 18-17





675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532

Community Development Department

Project Referral

Date: December 11, 2018

- To:
- | | |
|--|--|
| <input checked="" type="checkbox"/> Public Works | <input checked="" type="checkbox"/> Fish and Wildlife |
| <input checked="" type="checkbox"/> Rio Dell Fire District | <input checked="" type="checkbox"/> Caltrans District #1 |
| <input checked="" type="checkbox"/> Rio Dell Police Department | <input checked="" type="checkbox"/> Fortuna Fire Protection District |
| <input checked="" type="checkbox"/> County Environmental Health | <input checked="" type="checkbox"/> LAFCo |
| <input checked="" type="checkbox"/> County Planning Department | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> Regional Water Quality Control Board | <input type="checkbox"/> |

Applicant: City of Rio Dell
Address: 675 Wildwood Avenue
City/State/Zip: Rio Dell, CA. 95562
Telephone: (707) 764-3532
Email: caldwellk@cityofriodell.ca.gov

Agent: _____
Address: _____
City/State/Zip: _____
Telephone: _____
Email: _____

Assessor Parcel Number(s):

205-111-032 & 205-111-039

County General Plan/Zoning Designation:

APN 205-111-032: Conservation Floodway/Unclassified

APN 25-111-039: Public Facility/Unclassified

Project Description: Rezoning of two parcels (APN's 205-111-032 (Caltrans) & 205-111-039 City of Rio Dell) to Public Facilities (PF) in anticipation of annexation to the City. The City's parcel, APN 205-111-039 is currently used as the City's wastewater disposal field. The Caltrans parcel, APN 205-111-032 is currently used for material stockpiling and land for the road prism.

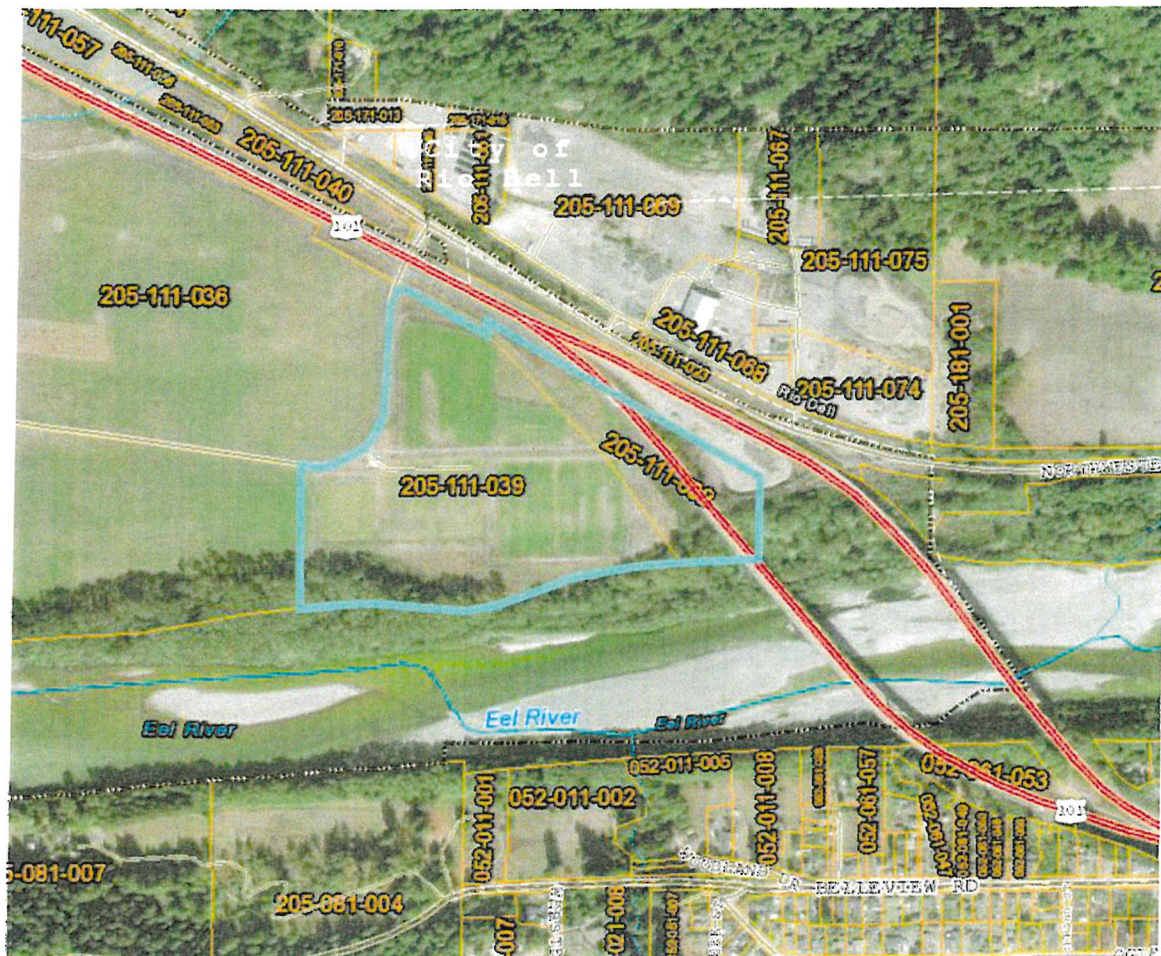
Project Location: The parcels are located just north of the Eel River and west of Highway 101. See attached maps.

Please review the attached information regarding the above referenced project and provide your comments with any recommended conditions of approval **within 15 calendar days** of the above date. If no response is received or a request for an extension is not received within 15 calendar days of the above date, it will be assumed that your agency has no comments or concerns regarding the project. **The project is scheduled to be heard at the Planning Commission meeting of January 22, 2019.**

If you have any questions concerning the project, please contact Kevin Caldwell, Community Development Director between 8:00 a.m. and 5:00 p.m. Monday through Thursday at (707) 764-3532 or caldwellk@cityofriodell.ca.gov.

We have reviewed the above referenced application and recommend the following (please check one):

- ☐ Recommend approval. The Department has no comment at this time.
☐ Recommend conditional approval. Suggested conditions attached.
☐ Other comments:

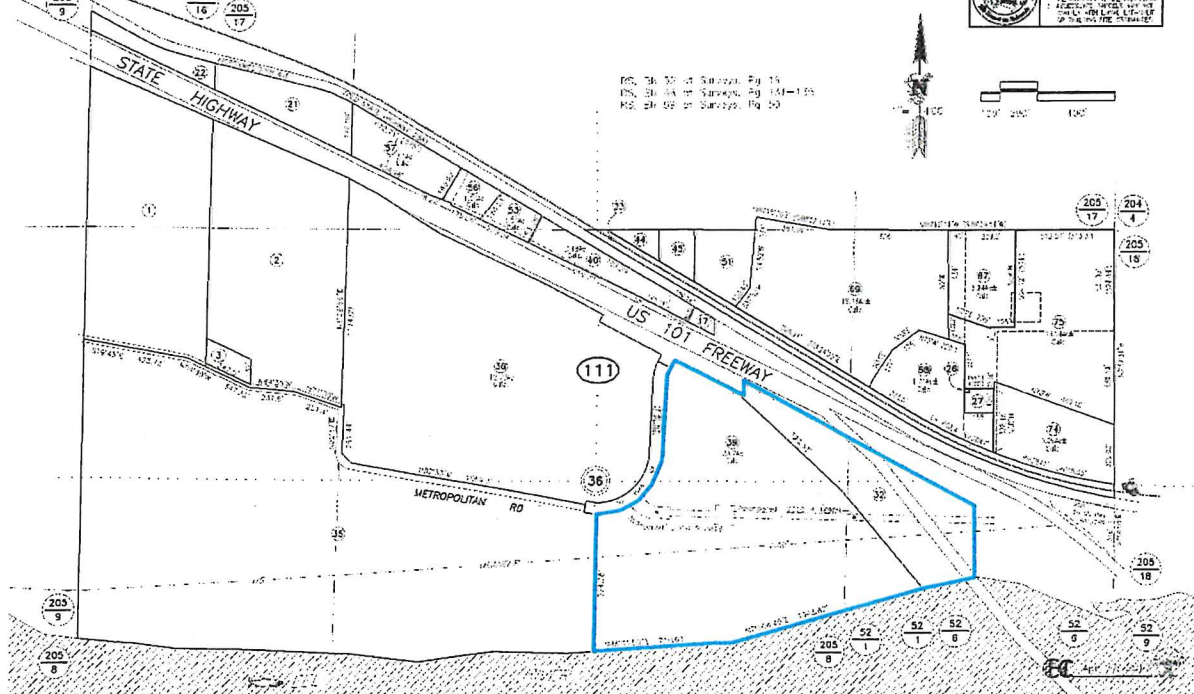
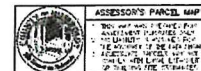


Assessor's Map Bk. 205, Pg. 11
County of Humboldt, CA.

PTN SEC 36, T2N R1W, HB&M

205-11

NOTE - Assessor's Block Numbers Shown in Ellipses.
Assessor's Parcel Numbers Shown in Small Circles.



City of Rio Dell Prezone to Public Facilities (PF)

**Public Facility Zone Development Standards
Section 17.20.080 Rio Dell Municipal Code**

17.20.080 Public Facility or PF zone.

The Public Facility or PF zone is intended to be applied to lands owned by public agencies or to lands upon which such agencies operate public facilities.

(1) Principal Permitted Uses.

- (a) Public schools, parks, playgrounds and recreational facilities;
- (b) Public fairgrounds and related uses;
- (c) Public buildings, including City Hall, fire stations, libraries, courts, museums, auditoriums, hospitals and similar uses;
- (d) Lodging uses, including lodging provided as part of the civic or cultural use.

(2) Uses Permitted with a Use Permit.

- (a) Residential uses, limited to caretaker apartment;
- (b) Penal, correctional or detention institutions, and facilities for the care of mental patients;
- (c) Public corporation yards, shops, repair and storage yards and buildings.

(3) Other Regulations. None, except as provided in use permit conditions. [Ord. 252 § 4.16, 2004.]

RESOLUTION NO. PC 138-2019



RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF RIO DELL RECOMMENDING PRE-ZONING THE CITY'S WASTEWATER DISPOSAL PARCEL (APN 205-111-039) AND THE ADJACENT PORTIONS OF THE HIGHWAY 101 RIGHT OF WAY AND APN 205-111-039 TO PUBLIC FACILITY.

WHEREAS in 2012/2013 the City upgraded the wastewater treatment plant which included the establishment of a wastewater disposal field north of the City; and

WHEREAS this area is not within the City limits; and

WHEREAS Annexations are subject to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000, et seq. ("CKH Act"); and

WHEREAS Humboldt LAFCo is responsible for regulating local governmental boundaries and municipal service areas in Humboldt County for purposes of facilitating orderly growth and development; and

WHEREAS This authority principally involves overseeing city and special district boundaries by approving or disapproving proposed changes of organization as defined by Government Code §56021; and

WHEREAS Humboldt LAFCo is also authorized to exercise broad discretion in amending as well as establishing conditions in approving changes of organization and outside service extensions as long it does not directly regulate land use, subdivisions requirements, or property development; and

WHEREAS the area to be annexed was included in the City's updated Municipal Service Review (MSR) and within the City's Sphere of Influence (SOI) which was adopted by LAFCo in November 2018; and

WHEREAS the City has reviewed and processed the proposed pre-zone in conformance with Sections 56375 of the California Government Code; and

WHEREAS the proposed pre-zone has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Rio Dell finds that:

1. The proposed pre-zone areas should be designated Public Facility (PF); and
2. The proposed amendments are Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Planning Commission of the City of Rio Dell recommends that the City Council pre-zone the area to Public Facility (PF) and pursue the annexation of the area into the City limits.

I HEREBY CERTIFY that the forgoing Resolution was PASSED and ADOPTED at a regular meeting of the Planning Commission of the City of Rio Dell on February 26, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Nick Angeloff, Chairperson

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Resolution No. PC 137-2019 adopted by the Planning Commission of the City of Rio Dell on February 26, 2019.

Karen Dunham, City Clerk, City of Rio Dell